



## **COVID-19 Response: Families First Coronavirus Response Act & CARES Act FAQs**

### **EMPLOYEES & INDIVIDUALS**

**What are my options if I am sick or quarantined or must care for someone sick or quarantined because of COVID-19?**

- *The FFCR Act establishes emergency paid sick leave - up to 80 hours of paid sick leave for full time employees and the equivalent of 2 weeks of paid sick leave for part-time employees. Paid leave would be at 100% pay.*
- *For caretakers, the FFCR Act offers emergency paid sick leave of 80 hours of paid sick leave for full time employees and the equivalent of 2 weeks of paid sick leave for part-time employees. Paid leave would be at 2/3 pay.*

**What are my options if I have to care for a child because of COVID-19 related school closures?**  
*The FFCR expands the Family and Medical Leave Act, allowing up 12 weeks of leave at 2/3 pay.*

**What are my options if I am laid off because of COVID-19?**  
*The CARES Act allots \$250 billion in funding for expansion of unemployment benefits during the COVID-19 crisis.*

- *Individuals can take up to 39 weeks of Unemployment Insurance, and the minimum weekly pay is increased to \$600.*
- *Self-employed individuals, independent contractors (gig workers), and sole proprietors are now included.*

**Am I eligible for the Recovery Rebate?**

*The CARES Act allows for individuals with an annual income below \$75,000 and couples filing jointly with an annual income below \$112,500 to receive a \$1,200 rebate for the first taxable year beginning in 2020.*

- *Couples filing a joint return are eligible for \$2,400.*
- *Individuals with children are eligible for an additional \$500 per child.*



## **SMALL BUSINESS OWNERS & EMPLOYERS**

### **Am I required to provide emergency sick leave or family and medical leave to my employees?**

- *YES, if you have 500 employees or less. Your employees are eligible for both emergency paid sick leave and family and medical leave under the FFCR Act.*
- *If you have less than 50 employees and providing this leave could be detrimental to your business, you may be eligible for a waiver through the Department of Labor. More information on how to apply for such a waiver is forthcoming and will be determined by the DOL. In the meantime, owners should make their decisions with the health of their employees in mind and document everything.*

### **What loans are available to help cover the expenses of my small business?**

- *SBA Disaster Loans - Small businesses and self-employed individuals can apply for disaster loans to cover up to \$2 million of payroll costs, rent, etc.*
- *Paycheck Protection Program Loans – expanded 7(a) loans 100 percent guaranteed by the SBA to allow small businesses with no more than 500 employees to cover monthly payroll costs.*
  - *Maximum loan amount is the lesser of \$10 million or 2.5 times the average monthly payroll based on the prior year's payroll.*

### **Are non-profits, chambers, physician practices, eligible loans?**

*YES, 501(c)(3) non-profits are eligible for both SBA Disaster Loans and the Paycheck Protection Program. No other 501(c)(3) organizations are eligible, including chambers structured as 501(c)(6)s.*

*Physician practices are eligible for the Paycheck Protection Program, no matter how they are structured.*

### **Is it possible to receive loan forgiveness?**

*YES, under the Paycheck Protection Program, borrowers who maintain payroll continuity from February 15, 2020 through June 30, 2020 as defined by headcount can request loan forgiveness on covered costs for an 8 week period.*

- *Businesses can hire new or returning employees by June 30, 2020 and still qualify under the headcount requirements.*

**Is it possible to receive two loans at once?**

*YES - Borrowers may be cleared to receive both a SBA disaster loan and a Paycheck Protection loan if the loans are being used for different expenses. Check with your lending institution to see if your business qualifies.*

**How will employee retention credit work?**

*The Employee Retention Credit provides a refundable payroll tax credit equal to 50 percent of up to \$10,000 in wages per employee (including health benefits) paid by certain employers during the coronavirus crisis.*

*The credit is available to employers whose operations were fully or partially shut down by government order limiting commerce, travel, or group meetings due to coronavirus, or whose quarterly receipts are less than 50% for the same quarter in the prior year.*

- *Wages paid to employees during which they are furloughed or otherwise not working (due to reduced hours) as a result of their employer's closure or economic hardship are eligible for the credit.*
- *Employers with 100 or fewer employees, all employee wages qualify for the credit, regardless of whether they are furloughed or face reduced hours.*
- *Not available to employers that receive Small Business interruption loans, and wages that qualify for the required paid leave are also not eligible.*

**How can I access these small business loans, and how quickly should I expect the loans to come through?**

*The SBA is working hard to increase capacity to process loans by adding new lenders. While there could still be some delays during this unprecedented time, under normal circumstances, SBA loans typically take only a couple of weeks from the time an owner fills out the application to the time the money is direct deposited into their account.*

*To apply for an SBA disaster loan, please visit: <https://disasterloan.sba.gov/ela/>.*

*Instructions on how to apply for the new loans established in the CARES Act are forthcoming and will be established as soon as possible by the Small Business Administration.*



## **FARMERS & RURAL COMMUNITIES**

### **What's being done to provide relief for farmers?**

*The CARES Act includes a number of small business provisions designed to help farmers stay in business and take care of their employees during this difficult time. These include provisions that allow farmers to work with their trusted farm credit institutions for the purposes of securing payroll tax loans, along with 1-year deferrals, 100% guarantees, and low rates.*

### **What's being done to ensure farmers receive their H-2A workers?**

*On March 26, 2020, the State Department issued a statement advising that H-2A applicants were to be viewed as mission critical, helping to ensure that the agriculture sector is able to keep our country supplied with food and critical items at this time. Consular officers now have the option to waive the visa interview requirement for first-time and returning H-2A applicants with no potential ineligibility.*

### **What's being done to expand broadband in rural communities?**

*The CARES Act includes \$100 million to provide financing for rural broadband through the ReConnect program and \$25 million for the Distance Learning and Telemedicine program to provide grants for equipment and connectivity improvements.*



## HEALTH CARE PROVIDERS & PATIENTS

### **What are my testing options as a patient?**

*The FFCR Act mandates that all insurers, Medicare, Medicaid, and other federal medical programs cover the cost of COVID-19 tests for patients.*

*For specific information on testing sites in Arkansas, please visit:*

<https://govstatus.egov.com/ar-covid-19>.

### **What's being done to address the PPE and COVID-19 testing shortage?**

*The CARES Act provides \$16 billion explicitly for the national stockpile. This funding can purchase medical supplies, equipment, and medicine to be distributed to states.*

### **What's being done to address telehealth needs?**

*The CARES Act expands telehealth services under Medicare to allow seniors to receive any current telehealth approved service. It eliminates the requirement that a doctor had to have treated a patient within the last three years to use expanded telehealth authorities.*

- *It allows federally qualified health centers and rural health clinics to furnish telehealth service to beneficiaries in another location during the COVID-19 emergency and to be reimbursed at a rate that is similar to the national average for comparable services under the Medicare physician fee schedule.*
- *It requires High Deductible Plans to cover telemedicine and remote services prior to meeting that deductible.*
- *It allows individuals receiving home dialysis to do their periodic assessments via telehealth. Face-to-face encounters for recertifying eligibility for hospice care could be conducted via telehealth during the emergency period instead of in person.*

### **How will funds be distributed to hospitals, including rural hospitals?**

*The CARES Act appropriates \$100 billion to hospitals and other health care providers. HHS plans to hire a third-party claims processor who will use criteria, outlined by HHS, to determine (1) eligibility of provider, (2) justifiability of amount, (3) amount of claim, (4) payment, and any other information determined by HHS.*

*The CARES Act provides money for providers through Medicare.*

- *Allows for accelerated Medicare payments to help hospitals, especially those in rural areas, to get the reliable cash flow they need to help maintain an adequate workforce, buy essential supplies, create additional infrastructure, and keep their doors open to care for patients.*
- *Creates a 20 percent add on payment for inpatient treatment.*
- *Delays the sequester until the end of this calendar year.*

For more information and regular updates regarding the state of COVID-19 in Arkansas, please visit: <https://govstatus.egov.com/ar-covid-19>.



## APPROPRIATIONS

### **Are state and local governments eligible for relief funds?**

*YES, eighty percent of funding provided by Division B, the appropriations section, goes out through existing grants to support state, local, tribal, and community grantees. Funding is provided to numerous programs within the Agriculture; Labor-Health-Education; Interior; Homeland Security; Commerce-Justice-Science; and Transportation and Housing subcommittees.*

### **Where is the \$2 trillion in the CARES Act going?**

- *Community Development Block Grants – \$5 billion*
- *Homelessness Grants – \$4 billion*
- *Transit Agencies – \$24 billion*
- *Airports – \$10 billion*
- *Assistance to Tribal Communities (Indian Health Service, Bureaus of Indian Education/Affairs, and Food Distribution) – \$1.7 billion*
- *Disaster Relief Fund – \$45 billion*
- *Emergency Food and Shelter Grants – \$200 million*
- *First Responder (FIRE) Grants – \$100 million*
- *Emergency Management Program Grants – \$100 million*
- *Byrne Justice Assistance Grants – \$850 million*
- *Economic Assistance Development Grants – \$1.5 billion*
- *Manufacturing Extension Partnership Grants – \$50 million*
- *Child nutrition – \$8.8 billion*
- *Supplemental Nutrition Assistance Program – \$15.8 billion*
- *Community Services Block Grant – \$1 billion*
- *Low Income Home Energy Assistance Program – \$900 million*
- *Child Care and Development Block Grant – \$3.5 billion*
- *CDC Funding for State Public Health Departments – \$1.5 billion*

It is important to remember that details of how new programs will be implemented are forthcoming and to be determined by the relevant federal departments. For regular updates regarding implementation, please visit the respective department's website.

